

Application No. 09/584,045

REMARKS

Interview

Applicant's representative acknowledges and thanks the Examiner for the interview conducted on September 1, 2004. The substance of the interview is discussed below in the discussion of each pending independent claims 15, 16, 19 and 20.

Claims 15 and 34

As discussed at the interview and in the last response, claim 15 encompasses, for example, a trading system as disclosed in the application which runs, for example, the sweep trading feature described on page 7, line 15 - page 8, line 3 and page 49, line 18 - page 50, line 2 of the application.

Claim 15 claims a trading system comprising, among other things, programming that provides for, among other things, a first counterparty of at least one counterparty pair to sequentially select for execution by the trading system a series of forwards trading orders of at least one second counterparty, the trading system not executing any trade of matched forwards trading orders of the series until after all orders in the series have been selected.

Claim 15 was rejected in the final Office Action as being anticipated by Ausubel et al.

Applicant's representative pointed out during the interview that Ausubel et al. describes an auction system in which a bidder may enter into an auction system's database a flexible bid which defines the bidder's present and future bids. Ausubel describes flexible bidding at col. 2, lines, 39-50 and col. 6, lines 50-63. The following an example of a flexible bid is given at col. 11, lines 15-31:

[F]lexible bid information...can include a scalar-value, vector-value or a function. The flexible bid information may be an expression of how many units of object(s) a bidder is willing to

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purchase at a given price(s), how much money a bidder is willing to pay for the purchase of a given object(s), or any other expression of the willingness-to-pay or value which a bidder places on object(s). Optionally, a bidding rule may also include a limitation (e.g. "I desire up to a quantity of x at a price P, but I do not want any positive quantity at all unless I receive a minimum quantity of y"). Thus, a bidding rule may include an unconditional bid or a contingent bid, and may consist of a function from available information to bid quantities (e.g. a function of the previous bid(s) submitted). (Col. 2, lines 39-50.)

However, as Applicant's representative discussed at the interview, the set of bidding rules does not appear to be a series of orders from which the auctioneer system can select more than one bid of a bidder. Rather, the rules allow bidders to provide a current bid and future bids (see col. 1, line 65-col. 2, line 3), and the bidding rules appear to provide bids for different queries by the auctioneer system.

As described at cols. 11- 12 of Ausubel et al., to which the Examiner refers in the rejection of claim 15 in the final Office Action, a bidder may provide a response to each auctioneer system query, either in real time or via the bidding rules. Depending upon bidding responses, the auctioneer may change the offering price, e.g., where bids exceed the offered quantity. The auctioneer system runs through a number of iterations in order to determine the price at which it will accept bids. When the auctioneer system determines the price, bids at the acceptance price are accepted. As pointed out in the last response, the auctioneer/bidding process does not involve a bidder or auctioneer selecting a series of bids or offers within the context of a first counterpart, sequentially selecting a series of orders, as claimed in claim 15, and the auctioneer system, either prior to or at the conclusion of an addition, does not sequentially select from orders of bidders at different prices, but accepts bids at the acceptance price.

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Col. 3, lines 1-67 of Ausubel et al., also referred to by the Examiner in the rejection of claim 15 in the final Office Action, describes in general terms embodiments of an auction system and method, and does not mention that the system or method provides for a series of orders to be selected for execution, with the trading system not executing any trade of matched orders of the series until after all orders in the series have been selected, as claimed in claim 15.

Applicant's representative pointed out at the interview that claim 15 provides for a first counterparty to select series of orders for execution, with the trading system not executing any trade of matched forwards trading orders of the series until after all orders in the series have been selected, and argued that claim 15 as previously presented was not anticipated by Ausubel et al. The Examiner did not appear to disagree with this contention in view of the above arguments, but was hesitant to allow claim 15 without claim 15 expressing that after all orders in the series were selected, the orders would then be executed. Therefore, in order to advance prosecution, claim 15 has been amended herein to recite:

the programming further providing for the trading system to not execute any trade of forwards trading orders of the series until after all orders in the series have been selected and, after all orders of the series have been selected, to execute all trades of all orders of the series that are executable in accordance with the programming.

Thus, claim 15 now states that after all orders in a series have been selected, the programming provides for the trading system to "execute all trades of all orders of the series that are executable in accordance with the programming." As the application describes at page 38, not all orders selected by an aggressor for execution are executed, and before completing a trade, the trading system performs checks (according to programming), e.g., verifies that the order is still available (has not been cancelled or processed) and verifies that the trade is not between users in the same firm.

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It is submitted that claim 15 is allowable.

Claim 34 has been amended to recite:

after all orders of the series have been selected, executing all trades of all orders of the series that are executable in accordance with the programming.

It is submitted that claim 34 is allowable.

Claims 16, 17 and 36

Claim 16 encompasses, for example, a trading system as disclosed in the application which runs, for example, the same trade again feature described, for example, on page 6, line 18 - page 8, line 7 and page 48, line 9 - page 49, line 2 of the application.

The trading system claimed in amended claim 16 comprises, among other things, programming that provides for the trading system to execute a trade of matched forwards trading orders of parties of a counterparty pair and, after execution of the trade, provide notification to the parties of the counterparty pair of the availability of a new forwards trade having the same pricing and size terms as the executed trade, and executing the new trade in response to input by both of the parties of the counterparty pair within a predetermined time after notification.

Claim 16 was rejected in the final Office Action as being anticipated by Ausubel et al. In the rejection of claim 16 in the final Office Action, the Examiner refers to col. 3, lines 1-67 of Ausubel et al., which describes in general terms embodiments of an auction system and method, and does not mention that the system or method provides for execution of a trade of matched forwards trading orders of parties of a counterparty pair, followed by notification to the parties of the counterparty pair of the availability of a new forwards trade having the same pricing and size

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terms as the executed trade, and execution of the new trade in response to input by both of the parties, as claimed in claim 16.

Ausubel et al. at col. 1, lines 20-35, also referred to by the Examiner in the rejection of claim 16 in the final Office Action, describes the disadvantages of a prior art ascending bid auction format where a bidder is able to infer other bidders' information. Contrary to the Examiner's suggestion in the final Office Action, this is not a disclosure of the programming claimed in claim 16 which provides for, after execution of the trade, notification to the parties of the counterparty pair of the availability of a new forwards trade having the same pricing and size terms as the executed trade.

As Applicant's representative discussed at the interview, Ausubel et al. does not disclose that the auction system described in Ausubel et al. provides for, among other things, execution of a trade of parties of a counterparty pair and, after execution, provide the claimed notification and execute the new trade in response to input by both of the parties of the counterparty pair within a predetermined time after notification.

While appearing at the interview to no longer contend that claim 16 was anticipated by Ausubel et al., the Examiner suggested that claim 16 specify that the executed trade and the new trade referred to in claim 16 are between a selling party and a buying party of a counterparty pair. This suggested change has been made. Claim 16 now recites "a counterparty pair comprising a buying party and a selling party" and "executing the new trade between both of the parties of the counterparty pair." It is submitted that claim 16 is allowable.

It is submitted that claim 17 is allowed at least because it is dependent upon claim 16.

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Claim 36 also was amended to specify "a counterparty pair comprising a buying party and a selling party" and "executing the new trade between both of the parties of the counterparty pair." It is submitted that claim 36 is allowable.

Claims 19 and 35

Claims 19 and 35 were rejected in the final Office Action under 35 U.S.C. § 103 as being unpatentable over Ausubel et al. in view of Wilton et al.

Claim 19 encompasses, for example, a trading system as disclosed in the application which runs, for example, the spread trading feature described, for example, on page 7, line 15 – page 8, line 3 and page 50, line 19 – page 52, line 3 of the application.

As Applicant's representative discussed at the interview, a forwards spread trade involves a primary leg and a secondary leg, and a trader directly trades "on the difference between a bid price and an offer price" of the primary and secondary legs, as discussed on page 7 of the application. In the forwards spread trading embodiment described in the application, the trading system automatically sets up and maintains links between a forwards spread trading order and components of the first and second legs. To accomplish this, the trading system automatically generates a forwards spread order from components of the primary and secondary legs, or a component of one of the legs from a forwards spread order and other components of the legs which are stored in memory. Selection of an order from a component of the primary leg or the secondary leg or the spread order can lead to execution of a trade

Claim 19 claims, in connection with the processing and execution of a forwards spread trade, that the programming provides for the trading system to:

- automatically generate from forwards orders stored in memory one of a forwards spread order including a spread price representing a difference between prices of potential first

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and second leg forwards trades and an order relating to one of the first and second leg forwards trades and a spread order;

- display on display devices of user stations the automatically-generated order; and
- in response to a request entered by a party at a user station to execute the automatically-generated order, execute the forwards spread trade including executing among the party and two other parties the first leg forwards trade at the first price and the second leg forwards trade at the second price, wherein the difference between the first and second prices represents the spread price of the spread trade.

At the interview, Applicant's representative explained that while Wilton et al. discloses a form of spread trading, claim 19 defines a trading system in which forwards spread trading is carried out substantially differently from the types of trades described in Wilton et al. In Wilton et al., a user inputs arbitrage information and when the Wilton et al. system identifies an arbitrage opportunity, it either automatically executes or provides an alert to the user who entered the arbitrage opportunity. That user may then elect to proceed or not.

As Applicant's representative discussed at the interview, claim 19 provides for automatically generating a forwards order, either a forwards spread order or an order relating to one of the leg forwards trades, and provides for executing the forwards spread trade in response to a request entered by a party (which may be a party other than one who entered a spread order) to execute the automatically-generated order. This is not disclosed by Wilton et al. For example, in Wilton et al., an arbitrage opportunity that is identified does not generate an order that is displayed on the display devices of user stations, and which may be the subject of a request to execute at such user stations, as claimed in claim 19.

With respect to the final Office Action, the passage at col. 3, lines 55-65 of Wilton et al., referred to by the Examiner in the rejection of claim 19, discusses spread trading in general, and the passage at col. 10, line 7-col. 11, line 24 of Wilton et al., also referred to by the Examiner in

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the rejection of claim 19, discusses an arbitrage opportunity identification process which does not include, among other things, an automatically generated order that is displayed on display devices of user stations and may be the subject of a request to execute at such user stations, as claimed in claim 19.

The passages at col. 2, lines 51-56 and col. 7, lines 54-65 of Wilton et al., also referred to by the Examiner in the rejection of claim 19 in the final Office Action, describe automatically executing trades necessary to complete an arbitrage transaction or automatically providing a trading entity with an alert. Among other things, this is not a disclosure of an automatically generated order that is displayed on display devices of user stations and may be the subject of a request to execute at such user stations, as claimed in claim 19.

During the interview, the Examiner appeared to agree that Ausubel et al. did not disclose spread trading, and that spread trading as described in Wilton et al. was different from the spread trading claimed in claim 19, but was hesitant to allow claim 19 without further description of the automatically generated order. Applicant's representative suggested that the automatically generated order was not an order initiated by a party. The Examiner appeared receptive to allowing claim 19 if that language was added to claim 19. Claim 19 has been amended to recite "the automatically-generated order not being initiated by a party."

It is submitted that claim 19 is allowable. The same amendment has been made to claim 35. It is submitted that claim 35 is allowable.

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Claims 20 and 37.

Claim 20 encompasses, for example, a trading system as disclosed in the application which runs, for example, the joining feature described, for example, on page 8, lines 4-10 and page 52, lines 4-21 of the application.

The trading system claimed in claim 20 provides a function, selectable at user stations, for a party to add a new forwards trading order to the trading system having pricing and size terms the same as an existing forwards trading order of another party where, in response to selection of the function and an existing forwards trading order of another party displayed on a display device of the user station of a party, automatically adding as a new forwards trading order to that user station a forwards trading order having the same pricing and size terms as the selected forwards trading order of the other party.

Claim 20 thus specifies that a party may enter an order with the same pricing and size parameters of another party's order without entering order information that is entered when entering orders without this function.

Claim 20 was rejected in the final Office Action as being anticipated by Ausubel et al. In the rejection of claim 20 in the final Office Action, the Examiner referred to col. 1, lines 20-35 of Ausubel et al., which relates to prior art auction formats. As mentioned above, with specific reference to col. 1, lines 29-33, that passage describes the disadvantages of a prior art ascending bid auction format where a bidder is able to infer other bidders' information. Contrary to the Examiner's suggestion in the final Office Action, this is not a disclosure of a party automatically adding as a new forwards trading order a forwards trading order having the same pricing and size terms as the selected forwards trading order of the other party, as claimed in claim 20.

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In the rejection of claim 20 in the final Office Action, the Examiner also referred to col. 3, lines 1-30 and col. 11, line 15—col. 12, line 38. As mentioned above, the passage at col. 3, lines 1-30 generally describes an auction system, and the passage at col. 11, line 15-col. 12, line 28 describes an example of a computerized auction, including an example of a flexible bid at col. 11, lines 15-31. These passages do not disclose a party automatically adding as a new forwards trading order a forwards trading order having the same pricing and size terms as the selected forwards trading order of the other party, as claimed in claim 20.

At the interview, the Examiner appeared to agree that Ausubel et al. did not disclose a trading system having the claimed functionality for a party to add a new forwards trading order having pricing and size terms the same as an existing forwards trading order of another party, as claimed in claim 20. However, the Examiner wanted to consider whether there was other prior art which would render the invention claimed in claim 20 unpatentable.

If the Examiner does not identify such prior art, she is requested to allow claims 20 and 37. If the Examiner does identify such prior art and rejects claims 20 and 37 on the basis of such prior art, she is requested to make the new office action rejecting claims 20 and 37 non-final.

Amendments to Specification

Lines 13-16 of page 39, which relate to providing a confirmation screen, were deleted because, as described just before lines 13-16 at lines 6-10 of page 39, the confirmation screen was already provided.

Page 42, line 8 was amended to insert the word "lines."

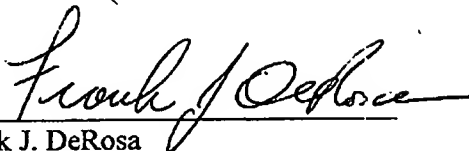
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Closing

It is submitted that claims 15, 16, 17, 19, 20 and 34-37 are allowable. Reconsideration and allowance of the application with those claims are requested.

Respectfully submitted,

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